THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO): (a) The ceiling prices of Ranitidine formulations were fixed on 17.3.1988 on the basis of bulk drug weighted average import price of Rs. 4396/- Kg.

(b) and (c) BICP are in the process of conducting the Cost-cum-Technical Study of indigenously produced Ranitidine.

(d) and (e) Do not arise.

Turnover criteria for price control of drugs

450. SHRI H. HANUMAN THAPPA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that turnover criteria is being applied to identify drugs for price control with reference to1989-90 as the base year, mainly to omit newer drugs and drugs of multinationals like Cefotaxim, Fortum etc. from price control;

(b) whether it is a fact that the purpose of review of 1987 policy was to rectify ommissions of the Kelkar Committee that instead more ommissions have been committed;

(c) who is responsible for such a state of affairs and with what motives; and

(d) what steps have been taken to investigate earlier scandal as well as the present one?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE OF THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) to (d) The reasons for review have been mentioned in the Background Note placed on the Table of the House on 12.8.92 and which was discussed on 18th, 19th and 23rd August, 1992.

Request for the revision of bulk drug prices

451. DR. NARREDDY THULASI REDDY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that requests for revision in prices of bulk drugs and the representations against the prices fixed are pending for years;

(b) whether it is also a fact that only those requests are considered where the concerned producers agree to pay in cash and kind to the concerned or their relatives;

(c) what is the datewise receipt and disposal of requests for the past two years and why no system was evolved; and

(d) what steps have been taken to investigate the whole matter and fix responsibility?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) to (d). The prices of indigenously produced bulk drugs are fixed/revised from time to time on the basis of cost-cum-technical studies conducted by the BICP. This involves collection of necessary information from the various manufacturers, verification by the visit to the plants located in various parts of the country and analysis of the data from technical, costing and economic angles. This detailed study is time consuming and in some cases there is delay by the manufacturers in furnishing the requisite information to the BICP.

Cost of Urea and natural gas

452. SHRI BHUPINDER SINGH MANN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what is the cost of natural gas that is being charged from urea fertilizer plants;

(b) what is the cost of the same borne by urea manufacturers in Russia, U.S.A. or Arab countries;

(c) Whether it is a fact that the production cost of urea is much higher in India than that in orther countries; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO): (a) At present the price of natural gas supplied to fertilizer plants at landfall point is Rs. 1750.00 per thousand cubic centres, excluding royalty, sales tax and transport charges. For gas supplied on HBJ pipeline, transport charges @ Rs. 850.00 per thousand cubic metres are payable in addition. the price of gas in the North East region is Rs. 1000/- per thousand cubic metres. A discount up to a maximum of Rs. 400/- per thousand cubic metres is also available in the North East on a case-to-case basis.

(b) The price of gas in Arab countries is in the range of $ 0.50 to $ 1.00 per MMBTU. Information is not available on current prices of gas supplied to urea plants in Russia and USA.

(c) The wieghted average production cost of indigenously produced urea is lower than the present cost of imported urea.

(d) Does not arise.

Expansion plans of NFL

453. DR. SANJAYA SINH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the National Fertilizers Limited has decided to finance its expansion plan at Vijaipur involving Rs. 1000 crores;

(b) if so, what are the details of the projects and in what manner the National Fertilizers Limited propose to arrange the necessary fund; and

(c) by when the project is likely to be completed and the details of production of fertilizers likely to be increased as a result of expansion of the plant?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO): (a) to (c) National Fertilizers Limited (NFL) have taken up a project for doubling the production capacity of their gas-based fertilizer plant at Vijaipur (Madhya Pradesh) at an estimated cost of Rs. 987.3 crores. This will result in additional production capacity of 7.26 lakh tonnes per annum of urea. The project is expected to be completed by end-1996. The project is proposed to be funded partly out of internal resource generation of NFL and partly by raising long term loans/ borrowings from International/Indian financing institutions.

Performance of Pyrites, Phosphates and Chemicals Limited

454. SHRI SOM PAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the public sector company, Pyrites, Phosphates and Chemicals Limited is a loss making unit;

(b) if so, what was its performance during the last five years;

(c) whether it is also a fact that large quantities of fertiliser disappeared from the Company's godowns several times under suspicious circumstances and an enquiry was ordered into these and other matters including the involvement/ misconduct of its officials;

(d) if so, what are the details thereof and what action have been taken or is contemplated to be taken thereon;

(e) whether it is also a fact that the Company owns some mining sites in Rajasthan and other areas and most of these are not being operated at all and the staff recruited for the same has been idle for several years; and